



## Iceland

This factsheet provides the latest statistics on trade and investment between the UK and Iceland.

Date of release: 3 May 2024; Date of next planned release: 17 May 2024

**Total trade in goods and services** (exports plus imports) between the UK and Iceland was **£2.0 billion** in the four quarters to the end of Q4 2023, an increase of 23.7% or £378 million in current prices from the four quarters to the end of Q4 2022. Of this £2.0 billion:

- Total UK **exports** to Iceland amounted to £963 million in the four quarters to the end of Q4 2023 (an increase of 49.1% or £317 million in current prices, compared to the four quarters to the end of Q4 2022);
- Total UK **imports** from Iceland amounted to £1.0 billion in the four quarters to the end of Q4 2023 (an increase of 6.4% or £61 million in current prices, compared to the four quarters to the end of Q4 2022).

**Iceland was the UK's 68<sup>th</sup> largest trading partner** in the four quarters to the end of Q4 2023 accounting for 0.1% of total UK trade.<sup>1</sup>

In 2021, the **outward stock of foreign direct investment (FDI)** from the UK in Iceland was £58 million.

In 2021, the **inward stock of foreign direct investment (FDI)** in the UK from Iceland are not available due to data disclosure.<sup>2</sup>

<sup>1</sup> Trade data sourced from the latest ONS publication of [UK total trade: all countries seasonally adjusted](#) data.

<sup>2</sup> Investment data sourced from the ONS [ad-hoc data release](#) if not provided in the latest ONS [main FDI release](#).

## About these statistics

This factsheet presents the latest statistics on trade and investment between the UK and Iceland. It summarises a wide range of publicly available data, from data providers such as the Office for National Statistics (ONS) and HM Revenue and Customs (HMRC), as well as international data providers.

This factsheet is part of a wider range produced by the Department for Business and Trade which draws together many data sources into one single compendium document for each individual trade and investment partner. The full set of factsheets for different individual partners can be found on the [Trade and Investment Factsheets website](#) on GOV.UK.

Where data are available, these factsheets contain metrics on:

- [Headline trade statistics between the UK and each trading partner for the latest four quarters.](#)
- [Trade statistics by commodity and service type.](#)
- [Trade between the UK and each trading partner, broken down by UK country and English region.](#)
- [Trade in services between the UK and each trading partner, broken down by mode of supply](#)
- [UK's market share as a total of all imports for each trading partner.](#)
- [Number of VAT-registered businesses trading goods.](#)
- [UK's Foreign Direct Investment \(FDI\) with each investment partner.](#)
- [Summary trade and investment data as reported by each trade and investment partner, as well as economic data and projections.](#)

All statistics are correct at the time of publication, with upcoming release dates available on the [Government update schedule for Official Statistics](#). The Department for Business and Trade strongly recommends users download the latest factsheet to ensure the most up-to-date statistics are used. Please do not use previous factsheets to analyse earlier time periods than those shown in the most recent factsheets, as the data will have been revised and previous factsheets will no longer be correct. For analysis of earlier time periods, please use the published source data.

For the most up to date snapshot of the UK's trade and investment position with all partners, please see the [UK trade in numbers](#) publication or the [trade and investment core statistics book](#). These statistics are based on the same data sources as this factsheet and therefore are comparable. A list of all [Official Statistics](#) publications from the Department for Business and Trade can be found online.

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## Summary trade and investment statistics for Iceland

[UK trade](#) with Iceland, in current prices (based on the latest four quarters)<sup>3</sup>:

Trade	Value in the four quarters to the end of Q4 2023	Change from the four quarters to the end of Q4 2022
<b>Total trade</b>	£2.0 billion	an increase of 23.7% or £378 million
Ranking out of all the UK's trading partners	68th	
<b>Total UK exports</b>	£963 million	an increase of 49.1% or £317 million
Ranking out of all the UK's export partners	67th	
UK exports in goods (percentage of total UK exports that were goods)	£619 million (64.3%)	an increase of 49.2% or £204 million
UK exports in services (percentage of total UK exports that were services)	£344 million (35.7%)	an increase of 48.9% or £113 million
<b>Total UK imports</b>	£1.0 billion	an increase of 6.4% or £61 million
Ranking out of all the UK's import partners	67th	
UK imports in goods (percentage of total UK imports that were goods)	£534 million (53.0%)	a decrease of 5.7% or £32 million
UK imports in services (percentage of total UK imports that were services)	£474 million (47.0%)	an increase of 24.4% or £93 million

[UK market share](#) in Iceland<sup>4</sup>:

UK market share for total trade	Value in 2022	Change from 2021
<b>Total UK market share</b>	6.1%	1.0 percentage points
UK market share for goods only	5.7%	1.0 percentage points
UK market share for services only	7.0%	1.2 percentage points

[UK Foreign Direct Investment \(FDI\)](#) with Iceland<sup>5</sup>:

UK FDI	Value in 2021	Change from 2020
Total UK outward FDI	£58 million	Not available due to data disclosure
Total UK inward FDI	Data not available due to data disclosure	Comparison not available

[Economic statistics](#) and projections using gross domestic product (GDP) for Iceland<sup>6</sup>:

Economic statistics	2020	2021	2022	2023
Economic growth, using GDP in real terms, compared to the previous year	-6.9%	5.1%	8.9%	4.1%
GDP per capita in \$USD (in thousands)	59.4	70.0	76.3	80.0

Iceland was the 107<sup>th</sup> largest economy in 2023, in terms of gross domestic product (GDP).

<sup>3</sup> Trade data sourced from Office for National Statistics data on [UK total trade \(seasonally adjusted data\)](#).

<sup>4</sup> UK market share data calculated using the methodology outlined in the [market share section](#) in the factsheet, based on data from the Office for National Statistics and United Nations Conference on Trade and Development.

<sup>5</sup> FDI data sourced from the Office for National Statistics [ad-hoc data release for FDI with all partners](#).

<sup>6</sup> Economic data sourced from the International Monetary Fund [World Economic Outlook](#) databases; Estimates and projections are given in italics; GDP rankings where provided are based on values in current prices (nominal terms) in \$USD, where some partner values are based on estimates which may influence the rankings when revised.

## Trade with Iceland, in current prices (ONS)<sup>7 8 9</sup>

### Trade definitions

**UK exports** - Goods and services that were produced or sourced in the UK, which were sold to Iceland.

**UK imports** - Goods and services that were sold to the UK, which were produced or sourced by Iceland.

**Total or 'bilateral' trade** - The value of total trade between the UK and Iceland (exports plus imports).

**Trade balance** - The difference between exports and imports, calculated by UK exports minus UK imports.

**Trade surplus** - This occurs when the value of UK exports to Iceland is greater than the value of UK imports from Iceland.

**Trade deficit** - This occurs when the value of UK exports to Iceland is less than the value of UK imports from Iceland.

**Headline trade statistics include trade in non-monetary gold (reported within the unspecified goods category), which can significantly affect trends for some partners. Please see the factsheet [quality and methodology report](#) for more information. These statistics are given on a balance of payments (change of ownership) basis.**

**Note:** *The latest data include trade between January 2023 and December 2023. Trade has been affected by the COVID-19 pandemic and the associated lockdown measures globally. Consequently, data quality has been affected and may be subject to larger revisions than normal. All figures are reported in current prices (not adjusted for inflation), unless otherwise stated. We recognise that some of the recent increases in UK trade values will be partly due to price increases.*

**Total trade** in goods and services (exports plus imports) between the UK and Iceland was £2.0 billion in the four quarters to the end of Q4 2023, an increase of 23.7% or £378 million in current prices from the four quarters to the end of Q4 2022.

In the four quarters to the end of Q4 2023, **total UK exports** to Iceland amounted to £963 million (an increase of 49.1% or £317 million in current prices, compared to the four quarters to the end of Q4 2022).

Of all UK exports to Iceland in the four quarters to the end of Q4 2023, £619 million (64.3%) were **goods** and £344 million (35.7%) were **services**. In the four quarters to the end of Q4 2023, **UK exports of goods** to Iceland increased by 49.2% or £204 million in current prices, compared to the four quarters to the end of Q4 2022 while **UK exports of services** to Iceland increased by 48.9% or £113 million in current prices, compared to the four quarters to the end of Q4 2022.

In the four quarters to the end of Q4 2023, **total UK imports** from Iceland were £1.0 billion (an increase of 6.4% or £61 million in current prices, compared to the four quarters to the end of Q4 2022).

Of all UK imports from Iceland in the four quarters to the end of Q4 2023, £534 million (53.0%) were **goods** and £474 million (47.0%) were **services**. In the same period, **UK imports of goods** from Iceland decreased by 5.7% or £32 million in current prices, compared to the four quarters to the end of Q4 2022 while **UK imports of services** from Iceland increased by 24.4% or £93 million in current prices, compared to the four quarters to the end of Q4 2022.

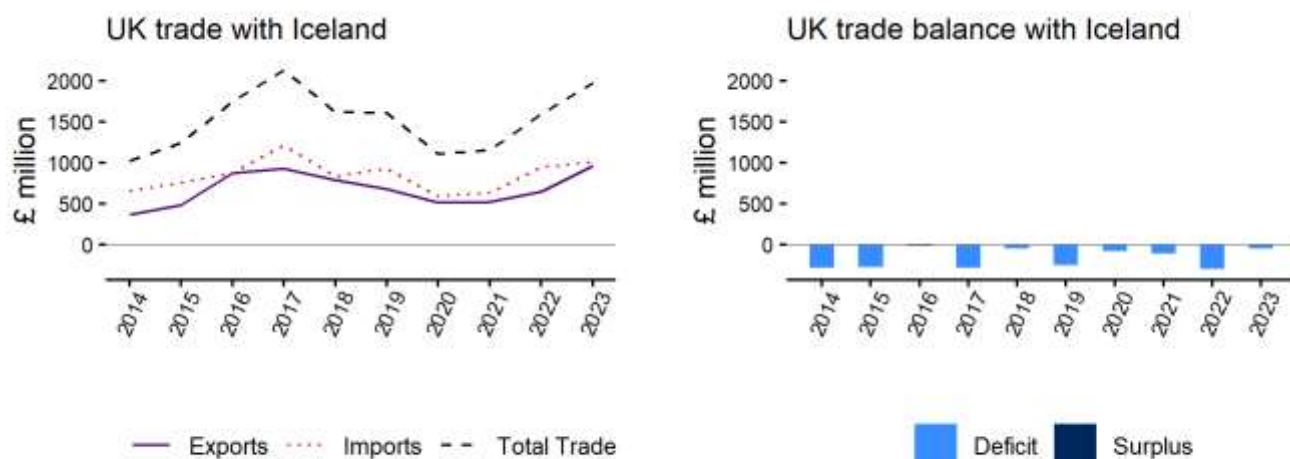
This means the UK reported a **total trade deficit** of £45 million with Iceland, compared to a trade deficit of £301 million in the four quarters to the end of Q4 2022. In the four quarters to the end of Q4 2023, the UK had a **trade in goods surplus** of £85 million with Iceland, compared to a trade in goods deficit of £151 million in the four quarters to the end of Q4 2022. Meanwhile, in the four quarters to the end of Q4 2023 the UK reported a **trade in services deficit** of £130 million with Iceland, compared to a trade in services deficit of £150 million in the four quarters to the end of Q4 2022.

<sup>7</sup> Office of National Statistics (ONS) data source for total trade: [UK total trade data \(seasonally adjusted\)](#).

<sup>8</sup> This factsheet contains data as reported by the UK, users are advised to use UK-reported data where possible for consistency between partners. These data are subject to [asymmetries](#) e.g. the value of UK exports to Iceland (reported by the UK) may not match the value of Iceland imports from the UK (reported by Iceland).

<sup>9</sup> Data are in nominal terms, meaning no adjustment has been made to account for changes in inflation or exchange rate. The totals may not exactly match the sum of their parts due to rounding.

The charts below present a time series for trade between the UK and Iceland for each year between 2014 and 2023:



Source: ONS, UK trade in goods and services, Q4 2023

The data that are presented in the charts above are given in the table below in £ million:

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Value of total trade	1023	1237	1751	2134	1618	1608	1104	1158	1593	1971
Value of exports	369	481	877	926	784	679	512	524	646	963
Value of imports	654	756	874	1208	834	929	592	634	947	1008
Trade balance	-285	-275	+3	-282	-50	-250	-80	-110	-301	-45

In the four quarters to the end of Q4 2023, Iceland was the UK's:<sup>10</sup>

- **68<sup>th</sup> largest trading partner** (accounting for 0.1% of total UK trade).
  - 59<sup>th</sup> largest **goods** trading partner (0.1% of UK goods trade).
  - 72<sup>nd</sup> largest **services** trading partner (0.1% of UK services trade).
- **67<sup>th</sup> largest export market** (accounting for 0.1% of total UK exports).
  - 53<sup>rd</sup> largest **goods** export market (0.2% of UK goods exports).
  - 77<sup>th</sup> largest **services** export market (0.1% of UK services exports).
- **67<sup>th</sup> largest import market** (accounting for 0.1% of total UK imports).
  - 63<sup>rd</sup> largest **goods** import market (0.1% of UK goods imports).
  - 63<sup>rd</sup> largest **services** import market (0.1% of UK services imports).

**More timely data, for trade in goods only**<sup>11</sup>, show that UK exports of goods to Iceland increased by 34.4% the 12 months to February 2024 in current prices, compared to the same period the previous year. UK imports of goods from Iceland increased by 3.3%, in current prices, over the same period.

**Note:** As these data are presented for the 12 months ending February 2024, the UK and its trading partners have been affected by lockdown and other measures during the COVID-19 pandemic. Data quality has also been affected and may be subject to larger revisions than usual. Please note, these data are in current prices.

<sup>10</sup> Rankings are based on the ONS dataset which contains data for all individual partners: [UK total trade data \(seasonally adjusted\)](#).

<sup>11</sup> ONS data source for trade in the latest 12 months up to February 2024: [UK Trade data \(seasonally adjusted\)](#).



## Trade in goods by commodity, in current prices (ONS)<sup>12 13</sup>

Please note, these data are presented on a non-seasonally adjusted basis and are not directly comparable to seasonally adjusted data, including the headline trade statistics presented before.

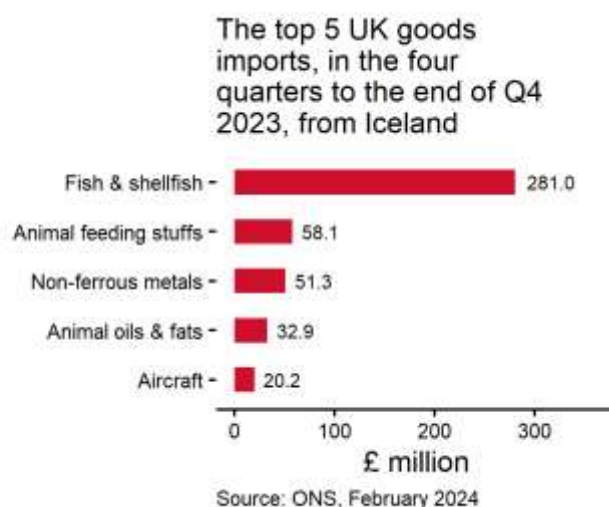
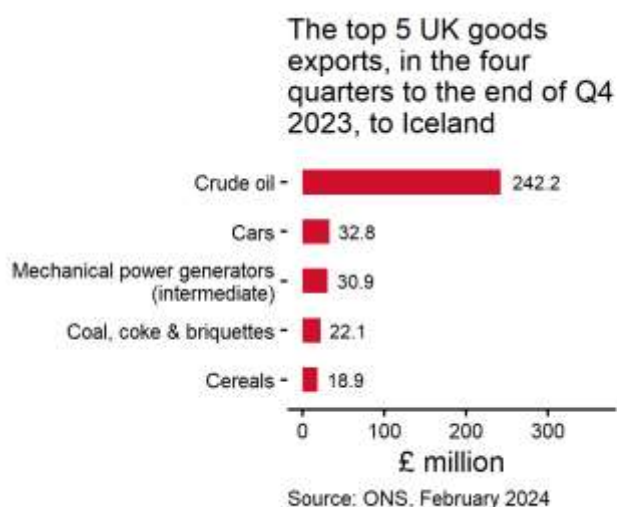
The **top 5 goods exported by the UK to Iceland** in the four quarters to the end of Q4 2023 were:

- 33O - Crude oil (£242.2 million or 39.1% of all UK goods exported to Iceland)
- 78M - Cars (£32.8 million or 5.3%)
- 71MI - Mechanical power generators (intermediate) (£30.9 million or 5.0%)
- 32 - Coal, coke & briquettes (£22.1 million or 3.6%)
- 04 - Cereals (£18.9 million or 3.1%)

The **top 5 goods imported by the UK from Iceland** in the four quarters to the end of Q4 2023 were:

- 03 - Fish & shellfish (£281.0 million or 52.6% of all UK goods imported from Iceland)
- 08 - Animal feeding stuffs (£58.1 million or 10.9%)
- 68 - Non-ferrous metals (£51.3 million or 9.6%)
- 41 - Animal oils & fats (£32.9 million or 6.2%)
- 792 - Aircraft (£20.2 million or 3.8%)

The chart below shows the top 5 products exported by the UK to Iceland and the top 5 products imported by the UK from Iceland, by value, in the four quarters to the end of Q4 2023. All data shown in the chart are provided in the text above.



<sup>12</sup> Data on trade in goods by commodity are sourced from data by the ONS: [UK trade release \(non-seasonally adjusted\)](#). These statistics for [exports](#) and [imports](#) present the latest data from the February 2024 ONS publication which are given on a monthly basis.

<sup>13</sup> The commodities are categorised based on [SITC](#) codes using a mixture of level 2 and level 3 codes.

## Trade in services by service type, in current prices (ONS)<sup>14 15 16</sup>

Please note, these data are presented on a non-seasonally adjusted basis and are not directly comparable to seasonally adjusted data, including the headline trade statistics presented before.

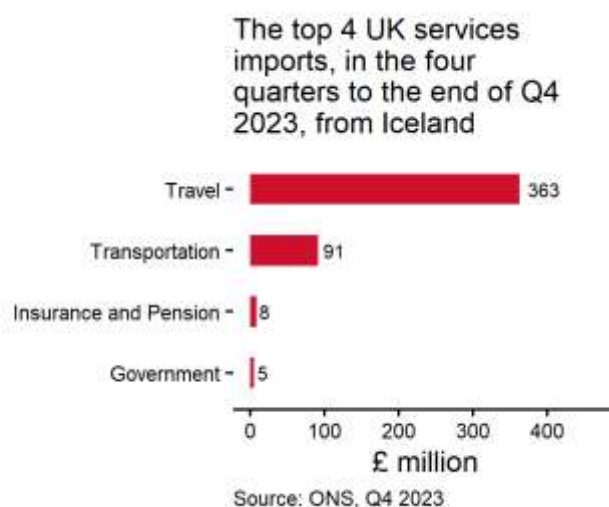
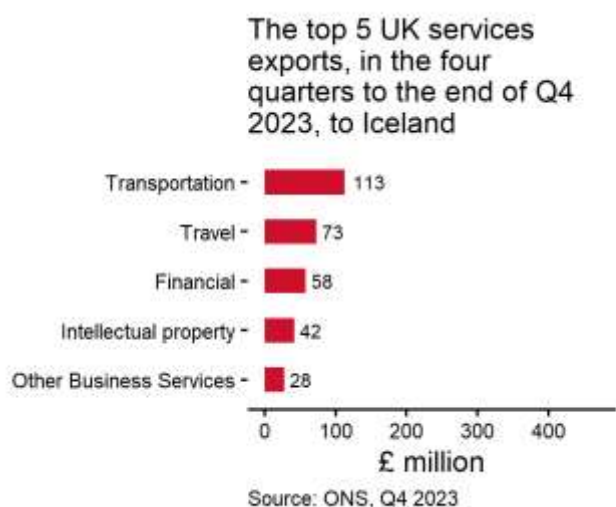
The **top 5 service types exported from the UK to Iceland** in the four quarters to the end of Q4 2023 were:

- Transportation (£113 million or 32.8% of all UK services exported to Iceland)
- Travel (£73 million or 21.2%)
- Financial (£58 million or 16.9%)
- Intellectual property (£42 million or 12.2%)
- Other Business Services (£28 million or 8.1%)

The **top 4 service types imported to the UK from Iceland** in the four quarters to the end of Q4 2023 were:

- Travel (£363 million or 76.6% of all UK services imported from Iceland)
- Transportation (£91 million or 19.2%)
- Insurance and Pension (£8 million or 1.7%)
- Government (£5 million or 1.1%)

The chart below shows the top 5 service types exported from the UK to Iceland and the top 4 service types imported to the UK from Iceland, by value, in the four quarters to the end of Q4 2023. All data shown in the chart are provided in the text above.



<sup>14</sup> Trade in services by service type is sourced from data by the ONS: [UK trade in services by partner country \(non-seasonally adjusted\)](#).

<sup>15</sup> Data are classified on the [EBOPS 2010](#) basis. 'Other business services' include: Research and development, professional and management consulting services, technical services and trade related services. A full description of all service types can be found on the [UN Statistics Division website](#).

<sup>16</sup> Service type data may be unavailable for some quarters, due to the suppression of figures for the confidentiality of individual traders.

## Trade in goods by UK countries and English regions, in current prices (HMRC)<sup>17 18</sup>

### Regional trade definitions

**UK regions** - The UK is categorised into 12 regions based on the International Territorial level 1 (ITL1). This level includes 9 regions in England, as well as Wales, Scotland and Northern Ireland.

**Regional trade data** - The data are compiled by merging HM Revenues & Customs (HMRC) trade data with employment data from the Interdepartmental Business Register (IDBR) so a business' trade can be allocated to a UK region based on the proportion of its employees employed in that region. Where a trader is not matched with the IDBR, its trade is matched with ONS postcode data to obtain the UK region in which the Head Office of the VAT-registered business is based.

The maps below show the value of UK goods exports and imports between each UK region and Iceland in 2023. The maps are shaded with the 3 UK regions with the highest amount of trade as the darkest colour, and the 3 UK regions with the lowest amount of trade as the lightest colour.



The data that are presented in the maps above for 2023 in £ million are also given in the table below:

UK country or English region	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
Value of goods exports to Iceland	18	31	25	19	34	41	32	37	11	8	31	30
Percentage of total goods exports to Iceland	5.4%	9.3%	7.4%	5.8%	10.2%	12.3%	9.6%	11.1%	3.4%	2.5%	9.4%	8.9%
Value of goods imports from Iceland	4	41	152	11	6	11	58	16	29	3	99	0
Percentage of total goods imports from Iceland	0.7%	7.8%	29.1%	2.0%	1.2%	2.1%	11.0%	3.0%	5.5%	0.5%	19.0%	0.1%

Note that these figures from HMRC are reported on a physical movement basis and are **not directly comparable** to trade data from ONS which are reported on a change of ownership basis. **Percentages will not total 100%** as data not allocated to a single UK country or English region are not presented.

<sup>17</sup> HMRC data source for regional UK trade data: [HMRC Regional Trade Statistics](#) (data extracted from the spreadsheet download using the HMRC [interactive tables](#)).

<sup>18</sup> Totals presented here will differ from overall HMRC trade figures due to the exclusion of trade in non-monetary gold and non-response estimates and the exclusion of data not allocated to a UK country or region. Figures for 2023 are provisional and subject to change.



## Trade in services by mode of supply, in current prices (ONS)<sup>19 20</sup>

### Trade in Services by Mode of Supply definitions

**Modes of Supply** define the way services trade is conducted. The World Trade Organisation's [General Agreement on Services](#) categorises methods for trade in services into four different modes of supply, which depend upon on the territorial presence of the supplier and the consumer at the time of transaction.

**Mode 1** - Remote trade (a supplier in one country sells a service to a customer in another, without the movement of people).

**Mode 2** - Consumption abroad (the person receiving the service travels to the supplier's country).

**Mode 3** - Commercial presence (e.g. a company subsidiary) - this mode is not counted as part of UK services trade on a balance of payments basis and is not reported in this release. This means that total figures are only the total of Modes 1, 2 and 4.

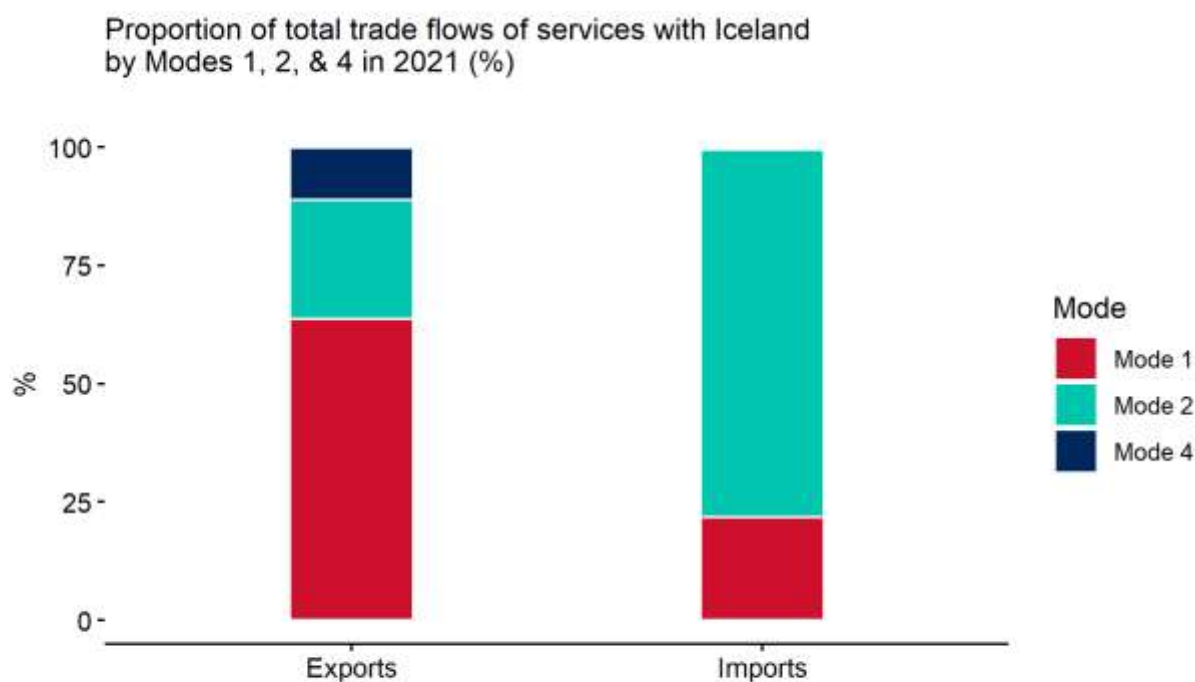
**Mode 4** - Presence of natural persons (a supplier sends its personnel to the customer's country to provide service).

### UK services exports to Iceland by mode of supply in 2021:

- £109 million of services exports to Iceland were delivered by Mode 1 (63.7%).
- £43 million of services exports were delivered by Mode 2 (25.1%).
- £19 million of services exports were delivered by Mode 4 (11.1%).

### UK services imports from Iceland by mode of supply in 2021:

- £38 million of services imports from Iceland were delivered by Mode 1 (21.8%).
- £135 million of services imports were delivered by Mode 2 (77.6%).
- £1 million of services imports were delivered by Mode 4 (0.6%).



Source: ONS, 2021

<sup>19</sup> ONS data source for UK Trade in Services by Mode of Supply: [ONS Imports and exports of services by country, by modes of supply, UK](#)

<sup>20</sup> Data included in this ONS release are experimental estimates.

## UK Market Share (ONS and UNCTAD)<sup>21 22</sup>

### Market Share definitions

**UK market share** – Imports from the UK as a percentage of all the goods and services imported by Iceland. Market share is provided for total imports from the UK, as well as for goods and services separately.

**Market share methodology** – These UK market share statistics are derived by the Department for Business and Trade, using publicly available data from the Office of National Statistics (ONS) and the United Nations Conference on Trade and Development (UNCTAD). These new statistics allows users to estimate the importance of UK trade on imports to each trading partner. Market share is calculated as the value of imports from the UK using data from [ONS](#), divided by the value of total imports using data from [UNCTAD](#). Data from UNCTAD are converted from US dollars into pounds sterling by using the annual average spot exchange rate<sup>23</sup>.

The UK's market share for Iceland in 2022 was as follows:

- **The total UK market share in Iceland was 6.1% in 2022 for goods and services.** This is a decrease of 1.0 percentage points from 2021.
- The UK market share in Iceland was 5.7% in 2022 for **goods only**. This is a decrease of 1.0 percentage points from 2021.
- The UK market share in Iceland was 7.0% in 2022 for **services only**. This is a decrease of 1.2 percentage points from 2021.

The table below presents the UK's market share for Iceland between 2013 and 2022. Values presented in italics are based on UNCTAD estimates of imports.

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total goods and services	7.7%	7.5%	9.5%	14.0%	11.7%	9.2%	8.9%	8.7%	7.1%	6.1%
Goods only	5.7%	5.5%	7.4%	14.6%	8.7%	6.4%	6.5%	7.7%	6.7%	5.7%
Services only	10.9%	10.7%	13.1%	12.9%	17.0%	14.2%	13.1%	10.8%	8.2%	7.0%

<sup>21</sup> ONS data source for market share: [UK total trade data \(seasonally adjusted\)](#).

<sup>22</sup> UNCTAD data source for market share: [Goods and Services \(BPM6\): Exports and imports of goods and services, annual](#). Some UNCTAD data may be based on estimates.

<sup>23</sup> Annual average spot exchange rates for \$USD to £GBP are sourced from the [Bank of England](#).

## Number of VAT-registered businesses trading goods (HMRC)<sup>24 25 26</sup>

### Business counts definition (Regional Trade in Goods Statistics)

Business counts report UK VAT-registered business exporting and importing goods. Data is collected primarily from customs declarations (using the Intrastat survey and VAT returns for Northern Ireland businesses trading with the EU).

Counts exclude businesses trading below the statistical value thresholds for customs declarations and exclude trade in non-monetary gold.

#### Businesses trading with Iceland in 2023:

- In 2023, around 4,100 UK VAT-registered businesses exported goods to Iceland.
- In 2023, around 500 UK VAT-registered businesses imported goods from Iceland.

#### Businesses trading with the world in 2023:

- In 2023, around 125,300 UK VAT-registered businesses exported goods to the world.
- In 2023, around 250,700 UK VAT-registered businesses imported goods from the world.

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<sup>24</sup> HMRC data source for Regional Trade Statistics business counts data: [UK trade in goods statistics](#).

<sup>25</sup> Data for UK businesses engaged in trade of services with Iceland are not available. A single business may trade with multiple trading partners abroad, so care should be taken when adding figures for multiple trading partners.

<sup>26</sup> HMRC does not receive partner country information for customs declarations with commodity line values that fall under the statistical value threshold of £873 (in value) and 1,000kg (in net mass). Therefore, these counts of exporting/importing businesses only capture those businesses with exports/imports (respectively) above the statistical value threshold. The number of businesses has been rounded to the nearest 100.

## Trade in Value Added (OECD)<sup>27 28</sup>

### Trade in Value Added definitions

**Trade in Value Added (TiVA)** - TiVA is a statistical approach to examine supply chains, which is not possible with conventional ('gross') trade statistics. This is because TiVA treats international trade flows as flows of value added rather than gross flows of final goods and services.

**Domestic and foreign value added** - In TiVA, gross exports are decomposed into domestic and foreign value added. Domestic value added measures the value added generated by the domestic economy in the production of its exports (e.g. the value added by UK car manufacturers and their UK supply chains in car exports). Foreign value added measures the value added contribution that foreign suppliers make to these exports (e.g. the import of foreign car parts).

**TiVA statistics** - Although TiVA offers advantages over traditional ways of measuring trade, these statistics are not fully developed. These results are estimates which should be considered complementary to conventional trade statistics and not be over-interpreted. In addition, the geographical detail is limited for developing countries. More information on TiVA can be found in a recent [research report](#) by the Department for Business and Trade and Cambridge Econometrics.

**UK forward linkages for exports** - Measures the reliance of foreign exporters on UK value added (inputs).

**UK backward linkages for exports** - Measures the reliance of UK exporters on foreign value added (inputs).

**Employment supported by exports** - This provides an estimate of the number of employees in exporting industries, and their domestic supply chains that are supported by exporting activity.

### UK forward linkages for exports:

- **In 2020, 1.7% of the total value added in gross exports from Iceland originated in the UK.**
- In 2020, 27.0% of the value added content in gross exports from Iceland reflected foreign imports from abroad. The largest sources of foreign value added for gross exports from Iceland were United States (3.0%), Norway (2.5%), and Germany (2.0%).

### UK backward linkages for exports:

- **In 2020, less than 0.1% of the total value added in gross exports from the UK originated in Iceland.**
- In 2020, 14.3% of the value added content in gross exports from the UK reflected foreign imports from abroad. The largest sources of foreign value added for gross exports from the UK were United States (2.4%), Germany (1.5%), and China (1.2%).

### Employment supported by exports:<sup>29</sup>

- Exporting activity in Iceland supported around 45,500 persons in 2020 (23.7% of total Iceland employment). Exports to the UK supported around 4,800 jobs in Iceland in 2020.
- Exporting activity in the UK supported 6.7 million persons in 2020 (20.6% of total UK employment). Exports to Iceland supported around 5,100 jobs in the UK in 2020.

<sup>27</sup> The estimates in this factsheet are based on Trade in Value Added statistics published by the Organisation for Economic Co-operation and Development (OECD): a) [Trade in Value Added database \(origin of value added in gross exports\), January 2024](#); and b) [Trade in Employment \(TiM\) database: Principal indicators, January 2024](#), indicators EXGR\_DEM and EMPN\_EXGRDEM.

<sup>28</sup> The data shown in this factsheet is from 2020.

<sup>29</sup> These estimates measure employees directly and indirectly supported by exports i.e. workers employed in exporting businesses and in other domestic businesses supplying inputs to the exporting businesses. The estimates should be interpreted as employment *supported* by exports, rather than employment *created* by exports, as the jobs may have previously existed to serve the domestic market. Employees may also be supported by exports from a multiple number of trading partners. As with the core TiVA data, these estimates are based on a number of assumptions and modelling, so should be interpreted with caution.

## Foreign Direct Investment with Iceland (ONS)<sup>30 31 32</sup>

### Foreign direct investment definitions

**Foreign direct investment (FDI)** - Investment made by a firm or individual in one economy ('direct investor') to acquire a 'lasting interest' in an enterprise operating in another economy. The lasting interest is deemed to exist if the direct investor acquires at least 10% of equity, or equivalently 10% of the voting rights, of the company.

**FDI stock** - The accumulated value of all previous investments at the end of a reference period. Figures are net, that is the value of investment minus disinvestment. **UK outward FDI stock** provides the total value of FDI by UK investors in economies abroad (investment of a UK parent company in Iceland), while **UK inward FDI stock** provides the total value of FDI by non-UK investors in the UK (investment of a Iceland parent company in the UK).

**Data disclosure** - It can happen that FDI is coming from only a few investors. In that case, figures are suppressed by the ONS to avoid disclosure of information relating to individual enterprises.

**Note:** *The FDI data for 2020 have been affected by changes in sampling methodology. Improvements have been made to the population which has been sampled and the way that businesses are sampled from the population, capturing a wider range of businesses. This means data from 2020 and onward are more representative of UK FDI with overseas partners and are comparable.*

More information about the methodology changes can be found on the [ONS website](#).

#### UK outward FDI stock:

- In 2021, the **stock of FDI from the UK in Iceland** was £58 million. A comparison with the previous year is not available due to data disclosure. In 2021, Iceland accounted for less than 0.1% of the total UK outward FDI stock.
- In 2021, the total UK FDI abroad was £1.8 trillion. In 2021, the **top destination for UK FDI** was United States, accounting for 26.1% of the total UK outward FDI stock, followed by Netherlands (8.8%) and Luxembourg (7.2%).

#### UK inward FDI stock:

- In 2021, the **stock of FDI from Iceland in the UK** are not available due to data disclosure.
- In 2021, the total FDI in the UK in was £2.0 trillion. In 2021, the **top investor in the UK** was United States, accounting for 33.7% of the total UK inward FDI stock, followed by Netherlands (10.9%) and Jersey (9.6%).

<sup>30</sup> Data for both inward and outward FDI between the UK and Iceland are not available in the main ONS release ([Foreign Direct Investment involving UK companies](#)). Therefore, an [ONS FDI ad-hoc data release](#) is used to provide the latest FDI data for Iceland where it is unavailable in the main ONS release.

<sup>31</sup> Data are presented on a directional basis which means they are not directly comparable to the asset/liability report prepared by ONS as part of the Balance of Payments statistical release. Figures are on net basis (investments minus disinvestments) and are given in nominal terms. Negative FDI values occur when disinvestments are greater than investments. Data are on an immediate destination/source basis and not an ultimate destination/source, which is likely to overstate financial centres such as the Netherlands and Luxembourg.

<sup>32</sup> This factsheet contains data as reported by the UK and are subject to asymmetries e.g. UK outward FDI to Iceland (reported by the UK) may not match Iceland inward FDI from the UK (reported by Iceland). For consistency when comparing between partners, users are advised to use UK-reported data as far as possible.



# Economic statistics (as reported by Iceland)

## Trade and investment data for Iceland (UNCTAD)<sup>33 34 35</sup>

The following data are reported by Iceland and are for reference only. Whenever possible use data from UK sources for trade and investment. All data below are presented in \$USD in billions.

Year	2015	2016	2017	2018	2019	2020	2021	2022
<b>TRADE</b>								
Nominal exports	9.0	9.9	11.3	12.3	11.0	7.5	9.8	12.9
Nominal imports	7.7	8.5	10.2	11.3	9.7	7.6	10.1	13.1
Nominal trade balance	1.3	1.4	1.1	0.9	1.3	-0.1	-0.3	-0.2
<b>INVESTMENT</b>								
Inward FDI stock	7.9	9.8	10.1	8.8	8.4	7.6	8.1	8.3
Outward FDI stock	7.6	6.1	5.3	5.2	5.3	5.4	5.1	4.2

<sup>33</sup> United Nations Conference on Trade and Development (UNCTAD) data sources for trade: [Goods and Services \(BPM6\): Exports and imports of goods and services, annual](#); and for investment: [Foreign direct investment: Inward and outward flows and stock, annual](#).

<sup>34</sup> Estimates are given in italics. Historic data pre-2015 can be found on the [UNCTAD website](#).

<sup>35</sup> All trade data are on a Balance of Payments basis. The FDI data are on a directional and net (investment minus disinvestment) basis. These figures are given in current prices and are rounded to the nearest \$0.1 billion, with missing data represented by dashes.

## Economic data and projections for Iceland (IMF)<sup>36 37</sup>

The following table presents economic statistics for Iceland. Projections include assumptions of the effects of COVID-19 and may be subject to change in the future. Estimated data, as well as projections up to 2029, are presented in italics and are subject to revision.

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>TRADE GROWTH</b>										
Change in exports (%)	-30.7	14.6	22.3	4.8	3.2	3.1	3.3	3.2	3.2	3.2
Change in imports (%)	-20.6	19.9	20.0	-1.4	1.2	1.9	2.4	2.7	2.6	2.8
<b>CURRENT ACCOUNT</b>										
Current account balance (% of GDP)	0.9	-2.7	-1.7	1.0	1.0	0.8	1.2	1.3	1.5	1.5
<b>GDP</b>										
Change in real GDP (%)	-6.9	5.1	8.9	4.1	1.7	2.0	2.2	2.3	2.5	2.5
GDP per capita (1,000 \$USD)	59.4	70.0	76.3	80.0	84.6	89.4	94.7	100.5	106.8	113.4
GDP PPP (Int'l \$billion)	20.2	22.2	25.9	27.9	29.1	30.2	31.4	32.8	34.2	35.7
<b>INFLATION</b>										
Inflation, year average (CPI %)	2.8	4.5	8.3	8.7	5.6	3.4	2.5	2.5	2.5	2.5
<b>UNEMPLOYMENT</b>										
Unemployment rate (% of total labour force)	6.4	6.0	3.8	3.4	3.8	4.1	4.1	4.1	4.0	4.0
<b>POPULATION</b>										
Population (million)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
<b>INVESTMENT-SAVINGS</b>										
Total investment (% of GDP)	21.3	22.9	24.3	24.4	23.8	24.0	23.8	23.9	23.9	24.0
Gross national savings (% of GDP)	22.2	20.2	22.6	25.4	24.8	24.7	25.0	25.2	25.4	25.5
<b>BUDGET DEFICIT-DEBT</b>										
General government net lending/borrowing (% of GDP)	-8.9	-8.5	-4.0	-2.0	-2.1	-1.9	-1.5	-1.6	-1.6	-1.6
General government gross debt (% of GDP)	77.5	74.8	67.4	64.8	58.7	56.2	53.5	50.9	48.6	46.5

Iceland was the 107<sup>th</sup> largest economy in 2023, in terms of gross domestic product (GDP). The UK was the 6<sup>th</sup> largest economy in 2023.<sup>38</sup>

<sup>36</sup> International Monetary Fund (IMF) provide economic commentary in their [World Economic Outlook reports](#). The latest data presented here can be found in the [World Economic Database, October 2023](#).

<sup>37</sup> Projections and estimates are given in italics. More information for each metric and each partner, as well as historic data pre-2020, can be found on the [IMF website](#).

<sup>38</sup> GDP ranking based on values in current prices (nominal terms) in \$USD. Some GDP values for partners are based on estimates which may influence the rankings when revised.

## Top goods traded with the world by Iceland, in current prices (UN Comtrade)<sup>39 40</sup>

Data presented here show the top commodities traded with the world, not solely the UK, by Iceland. These data are based on a different commodity classification system to the ONS commodity data used earlier in this factsheet, and the two sections should therefore not be directly compared.

### Top goods exported to the world by Iceland in 2023:

Rank	HS Commodity	\$USD billion	% of total goods exported
1	76 - Aluminum and articles thereof	2.4	36.6%
2	03 - Fish and crustaceans	2.2	32.5%
3	90 - Optical, photographic, cinematographic and medical equipment	0.3	5.3%
4	23 - Residues and waste (food industries)	0.3	4.3%
5	72 - Iron and steel	0.2	3.6%
6	15 - Animal or vegetable fats and oils	0.2	3.5%
7	27 - Mineral fuels or oils, products of their distillation	0.2	2.5%
8	84 - Machinery and mechanical appliances	0.1	1.6%
9	16 - Preparations of meat or fish	0.1	1.6%
10	85 - Electrical machinery and equipment	0.1	1.1%
	<b>All goods exported</b>	<b>6.6</b>	<b>100.0%</b>

### Top goods imported from the world by Iceland in 2023:

Rank	HS Commodity	\$USD billion	% of total goods imported
1	27 - Mineral fuels or oils, products of their distillation	1.3	13.2%
2	87 - Vehicles other than railway or tramway stock	1.1	11.9%
3	85 - Electrical machinery and equipment	1.1	11.7%
4	84 - Machinery and mechanical appliances	1.0	10.8%
5	28 - Inorganic chemicals	0.7	7.2%
6	94 - Furniture; bedding, mattresses, cushions	0.3	2.9%
7	39 - Plastics and articles thereof	0.3	2.6%
8	73 - Articles of iron or steel	0.3	2.6%
9	90 - Optical, photographic, cinematographic and medical equipment	0.2	2.5%
10	30 - Pharmaceutical products	0.2	2.5%
	<b>All goods imported</b>	<b>9.5</b>	<b>100.0%</b>

<sup>39</sup> United Nations (UN) Comtrade data are sourced from the online [UN Comtrade Database](#). The data reported above are for 2023, but as the data upload to UN Comtrade is continuous, more timely data may be available from the source.

<sup>40</sup> Data are classified using the [Harmonized System](#) and are given on a physical movement basis, with UK data comparable to HMRC data sources rather than the headline trade figures presented here from ONS.

## Top services traded with the world by Iceland, in current prices (ITC Trade Map)<sup>41 42 43</sup>

Data presented here shows the top service types traded to the world, not solely the UK, by Iceland.

### Top services exported to the world by Iceland in 2022:

Rank	EBOPS Service Type	\$USD billion	% of total services exported
1	Travel	2.4	44.7%
2	Transport	1.7	30.3%
3	Other business services	0.5	9.4%
4	Telecommunications, computer, and information services	0.5	8.5%
5	Financial services	0.1	2.5%
	<b>All services exported</b>	<b>5.5</b>	<b>100.0%</b>

### Top services imported from the world by Iceland in 2022:

Rank	EBOPS Service Type	\$USD billion	% of total services imported
1	Travel	1.5	36.7%
2	Transport	0.8	19.6%
3	Other business services	0.7	18.3%
4	Telecommunications, computer, and information services	0.4	9.8%
5	Personal, cultural, and recreational services	0.2	4.9%
	<b>All services imported</b>	<b>4.1</b>	<b>100.0%</b>

<sup>41</sup> International Trade Centre (ITC) Trade Map data are sourced from the online [ITC Trade Map tool](#). The data above are for 2022, but as the data upload to ITC is continuous, more timely data may be available from the source.

<sup>42</sup> Data are classified on the [EBOPS 2010](#) basis. 'Other business services' include: Research and development, professional and management consulting services, technical services and trade related services. A full description of all service types can be found on the [UN Statistics Division website](#).

<sup>43</sup> Estimates are shown in italics, where for some partners only estimates are available - These data have been included for information and should be treated with caution.

## Background Notes

This document is one of a wider set of factsheets between the UK and its individual trade and investment partners which can be found on the [Trade and Investment Factsheets website](#). All of these factsheets are published as [Official Statistics](#) as defined by the [UK Statistics Authority](#), and are compliant with the [Code of Practice for Statistics](#) where they meet user needs as well as promoting trustworthiness, quality and public value in Government statistics. The publication of these factsheets as Official Statistics was agreed by the Chief Statistician at the Department for Business and Trade, who monitors these factsheets to ensure they continue to adhere to the [Code of Practice for Statistics](#). These factsheets have not been formally assessed by the [Office of Statistics Regulation](#) and are therefore not designated as [National Statistics](#).

As a requisite of publishing as Official Statistics, a [quality and methodology report](#) has been produced which outlines the quality of these factsheets, as well as providing more information on the methodology of the data sources presented here. This report contains hyperlinks to information on the strengths and weaknesses for each data source. Statistics contained in the factsheets from UK data providers all come from Official Statistics publications, with some sources also being from National Statistics publications.

Future updates of these factsheets can be found on the [Government update schedule for Official Statistics](#). These scheduled updates are in line with significant updates from UK data providers when they release new data. Unscheduled releases of the factsheets may also be necessary to accommodate data updates where little or no advanced notice are given, such as in the case of international data updates. Please see the data update schedule and revisions policy in the [quality and methodology report](#) for more information. Please note that there may be occasions where more recent data than is provided here can be found directly from the data providers.

The Department for Business and Trade welcome any feedback or comments on these factsheets, please send these to [statistics@businessandtrade.gov.uk](mailto:statistics@businessandtrade.gov.uk).



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